

State: DELAWARE

Definition of an HMO (or managed care organization - MCO).

In Delaware, a managed care organization, in order to enter into a risk based contract with the State Medicaid agency, must be licensed as an HMO, Health Services Corporation, or "Like Entity" by the Delaware Bureau of Insurance. HMOs must also meet the requirements of 42 CFR §434.20(c) which states that, for the services specified in §434.21(b), an "HMO" must meet at least the following requirements:

- (1) Be organized primarily for the purpose of providing health care services.
- (2) Make the services it provides to its Medicaid enrollees as accessible to them (in terms of timeliness, amount, duration, and scope) as those services are to nonenrolled Medicaid recipients within the area served by the HMO.
- (3) Make provision, satisfactory to the Medicaid agency, against the risk of insolvency, and assure that Medicaid enrollees will not be liable for the HMO's debts if it does become insolvent."

TN. No. SP-361

Supersedes

TN. No. new pageApproval Date Jan 19, 1996 Effective Date 1/1/96